



William F. Bailey
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March 23, 2007

Ref: 2610-24931

Honorable James H. Welsh
Commissioner of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Hearing Application
MA-3 Zone, Reservoir A
CHEGBY FIELD
St. James & Lafourche Parishes, Louisiana
Applicant: Petsec Energy Inc.

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Petsec Energy, Inc.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the MA-3 Zone, Reservoir A, Chegby Field, St. James & Lafourche Parishes, Louisiana.

1. To create three (3) single drilling and production units of approximately 1264 acres each for the MA-3 Zone, Reservoir A, SUA, SUB and SUC, designated as the MA-3 RA SUA, MA-3 RA SUB and MA-3 RA SUC, Chegby Field, St. James & Lafourche Parishes, Louisiana, all as shown more particularly on the attached plat;
2. To establish rules and regulations governing the exploration for and production of gas and condensate from the said unit;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created, with each tract sharing in unit production on a surface acreage basis of participation;
4. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

The MA-3 Zone, Reservoir A, in the Chegby Field is hereby defined as being that gas and condensate bearing zone encountered between the measured depths of 11,454 feet and 11,757 feet (electrical log measurements) in the Union Texas Petroleum-Bowie Lumber Co. No. 1 Well located in Section 18, Township 13 South, Range 17 East, St. James Parish, Louisiana.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on March 23, 2007. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. William F. Bailey. Mr. Louis Gilbert of Louis Gilbert & Associates presented the plan of applicant. Questions were asked and answered.

Attached hereto and made a part hereof is a plat outlining the MA-3 RA SUA, the MA-3 RA SUB and the MA-3 RA SUC, St. James and Lafourche Parishes, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this pre-application notice. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Louis Gilbert of Louis Gilbert & Associates, 3636 N. Causeway Blvd., Suite 204, Metairie, LA 70002 (504) 834-8112.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,


William F. Bailey

WFB/ht

Attachments

cc: Mr. Richard D. Hudson
District Manager, Office of Conservation

All Interested Owners, Represented Parties
and Interested Parties

